

Message Text

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ACTION EUR-12

INFO OCT-01 ISO-00 AID-05 CEA-01 CIAE-00 COME-00 EB-08
EA-10 FRB-03 INR-10 IO-13 NEA-10 NSAE-00 USIA-06
OPIC-03 SP-02 TRSE-00 LAB-04 SIL-01 AGRE-00
OMB-01 SS-15 L-03 /108 W
-----026110 300657Z /23

R 291658Z MAR 78

FM AMEMBASSY BRUSSELS
TO AMEMBASSY PARIS
INFO SECSTATE WASHDC 5754
AMEMBASSY THE HAGUE

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E.O. 11652:N/A

TAGS: EINV, ELAB, OECD, BE
SUBJ: BADGER BELGIUM CASE

PARIS FOR OECD

REF: 77 BRUSSELS 5231

1. EMBASSY UNDERSTANDS THAT TUAC AND BIAC OF OECD PLAN TO MEET APRIL 11 TO CONSIDER INFORMATION NOTE FROM TUAC ADVISING THAT BADGER HAS NOT KEPT UP WITH PAYMENTS IN SETTLEMENT OF CLAIMS OF ITS BELGIAN EMPLOYEES.

2. WE ARE MAILING COPY OF BACKGROUND MEMO EMBASSY PREPARED FEBRUARY 17 ON THIS SUBJECT. OTTO GROLIG, LAWYER WITH BAKER & MC KENZIE, WHO IS HANDLING THIS MATTER, OFFERED TO PREPARE ADDITIONAL MEMO FOR YOUR USE. ESSENTIALLY, SITUATION IS THAT BADGER HAS PAID ADDITIONAL FB 30,000,000 OVER AND ABOVE RESERVES OF FB 100,000,000 OF BANKRUPT COMPANY. THIS AMOUNT IS SUFFICIENT TO MEET EMPLOYEE DEMANDS. RECEIVER IS HOWVR EXTREMELY CAUTIOUS AND

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METICULOUS AND HAS NOT CHOSEN TO EXPEND THESE FUNDS. BADGER IS IN DIFFICULT POSITION SINCE IT SEEKS CONCORDAT AS FINAL SETTLEMENT AND NEEDS HELP OF RECEIVER IN OBTAINING IT. THEREFORE, COMPANY CANNOT BE TOO CRITICAL OF RECEIVER. FYI. AS LONG AS MATTER IS UNSETTLED, RECEIVER OBTAINS HANDSOME RETAINER FEE. END FYI. EXCUSE FOR NON-PAYMENT IS NEW CLAIM FILED BY 15 DUTCH TRANSFER EMPLOYEES OF BADGER

WHO HAD SIGNED AGREEMENT WAIVING THEIR TERMINATION RIGHTS
(SINCE THEY ARE STILL EMPLOYED BY COMPANY) BUT WHO HAVE
NOW DECIDED TO ATTEMPT TO OBTAIN SUCH PAYMENTS. THEIR
CASE IS UNTENABLE BUT IS STATED REASON FOR RECEIVER'S
LATEST DELAY. CHAMBERS

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NNN

Message Attributes

Automatic Decaptoning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CLAIMS, BANKRUPTCIES, BUSINESS FIRMS
Control Number: n/a
Copy: SINGLE
Draft Date: 29 mar 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Handling Restrictions: n/a
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ISecure: 1
Legacy Key: link1978/newtext/t19780315/aaaaamll.tel
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Litigation History:
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Original Classification: LIMITED OFFICIAL USE
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Original Previous Classification: n/a
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Previous Handling Restrictions: n/a
Reference: 77 BRUSSELS 5231
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